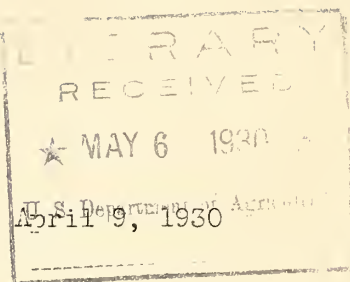


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UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF BIOLOGICAL SURVEY
Washington, D.C.



MEMORANDUM FOR FIELD PROJECT LEADERS

Subject: Procedure to be followed in soliciting bids

Unless exigency can be established, no purchase of supplies or services other than personal services may be made where the total amount involved exceeds \$50 without first obtaining competition, that is, without soliciting bids. (Paragraph 67, Fiscal Regulations of the Department of Agriculture).

Note the expression: "supplies or services other than personal services." The term "supplies" includes any article, equipment, material, or supply purchased for official use. The term "services other than personal services" denotes such items as drayage, hire of automobile or truck (with or without driver), hire of boat or other vehicle or equipment, and the like. To simplify statement herein the word "supply" will be understood to mean either or both supplies and services other than personal services. Also the abbreviation F. R. D. A. will indicate reference to a Fiscal Regulation of the Department of Agriculture.

Unless a field leader is given authority to solicit bids and accept the most advantageous, in each case of local solicitation of bids in the field the bids must be transmitted to Washington for acceptance by the Chief, Division of Purchase, Sales and Traffic. Where bids are to be solicited in the field, therefore, the solicitation should be made a sufficient time in advance of the time when the supply covered thereby will be needed to permit each dealer invited to bid a reasonable period in which to prepare and submit his bid, to forward the bids received by mail to Washington for acceptance, to receive back advice of acceptance in the case, and to order and have the supply delivered. As a rule, the leader in the field by careful planning can foresee the need of a supply, especially a normal or seasonably recurring one, sufficiently in advance to solicit bids far enough ahead of the time when the supply will actually be needed to allow the different steps involved to be taken without undue haste at any stage.

In some instances, however, where time in which to make solicitation, etc., is limited, resort may be made to the telegraph as indicated hereafter, (see particularly No. 10 below)

Notwithstanding the most careful planning, unforeseen need for a supply may arise so urgent and immediate that time does not permit even the most hurried solicitation of bids, when a sufficient quantity of the supply to meet the emergency may be purchased in the open market; and if such emergency purchase exceeds \$50 in amount, absence of competition may be justified by exigency statement (see paragraph 68(b), F.R.D.A.; also refer to the other lettered sections of this paragraph for other exigencies that may be cited where applicable to justify purchases in excess of \$50 without competition). When a purchase in excess of \$50 is made under any condition of exigency, proper reference thereto should be made by the leader in the field making the purchase on the covering 1034 voucher (see blank space on the face of leader's certificate as to receipt of supply and paragraphs 3 and 5 under "Method of or Absence of Advertising" on reverse of form 1034). In addition, for the Bureau's advice and

to supply additional information to the General Accounting Office, should it be deemed necessary or be called for, each 1034 voucher covering a purchase in excess of \$50 made under exigency must be accompanied by a statement giving in detail the facts establishing the unforeseen and emergency nature of the need and/or other condition of exigency. In any case of purchase under exigency of a supply in excess of \$50, a showing must also be made that the price paid is fair and reasonable (last section unlettered of paragraph 68 F.R.D.A.).

When in the opinion of a leader the need arises in the field for a supply necessitating the solicitation of bids, unless he is already authorized in his letter of authorization or otherwise to solicit bids in the field on such supply, the leader should address a letter to the Bureau (or telegraph if necessary) stating the nature of the need and giving with as much detail as is available a description of the supply required.

Care should be exercised by the leader in describing the supply. The exact purpose for which the supply is to be used is important in this connection, as condition of use frequently determines what may be specified in a solicitation for bids; that is, if a special need is shown which can be served only by a supply of particular quality or possessing special features, the specification of such quality or features is justified, while if such special need is not shown, the specification of special features or kind of supply may not be justified, particularly if such specification tends to limit competition. For example: A truck is needed for hauling heavy loads over mountainous roads -- by showing this use specification of a more powerful truck of greater load capacity, etc., is justified than would be the case if the special need or use were not shown; recleaned oats are needed for the mixing of poisoned bait-- by showing this special use and that only oats of the highest quality, entirely free from chaff, etc., are suitable for the purpose, oats of the required grade or even of a special kind, as Idaho oats, may be specified; an outboard motor is needed for use of a game protector in apprehending violators of the migratory-bird laws--by showing this special use a motor equipped with special features for silent operation, quick starting, and easy handling may be specified even though competition is thereby limited to one make of motor, while if such special use were not shown, the specification of these special features would not be warranted.

In describing a needed supply the leader must not let personal preference enter into the matter unless he can back up his preference by showing experience in the use of such supply and ample opportunity to compare its use with the use of other kinds or makes of such supply.

The leader must not describe a particular make or kind of supply by name unless it is so described not to limit competition to that make or kind, but to set a standard, and then the words "or equal" or similar expression should be used, as for instance: "No. 3 Newhouse trap, or equal" or "of the same type as a Ford De Luxe Delivery truck or a Chevrolet Sedan Delivery truck,"

Upon receipt in the Bureau of the leader's letter requesting the solicitation of bids on a supply the matter will be given consideration by the proper operating division and the leader advised whether the contemplated purchase is deemed necessary, and, if so, whether solicitation of bids for the supply

will be made from Washington (see paragraph 67, F.R.D.A.) or by the leader in the field. If solicitation is to be made in the field the description of the supply as furnished by the leader will either be approved as the specifications to be used in the invitation to bid or he will be advised as to how such specifications may be improved.

When bids on a supply are to be solicited in the field procedure should be as follows:

(1) Always use Standard Form 33 unless otherwise specifically instructed and, if necessary, continuation sheet Standard Form 36. It is not necessary to make an original copy of the invitation for each dealer to be solicited - as many legible carbons as can be made should be typed at one time.

(2) Carefully fill in the blank spaces (except "Contract No. _____" which should be left blank) at the top of form 33, typing or writing on the first line "Agriculture - Biological Survey", followed by name of office of the leader as "Rodent Control", etc.; on second line show local official address of leader and date when bids are sent out; under "Invitation" show date and hour of such date bids are to be opened; indicate f.o.b. point of delivery and, if desired, means of delivery as by express, freight, etc. (if preferred delivery may be indicated in the Specifications below); sign "Invitation" showing official title; type opposite signature the name and address of dealer solicited.

(3) Specifications. This is the most important part of the solicitation of bids. The specifications approved or furnished by the Bureau should be used. If time has not permitted the submission of specifications to Washington before soliciting bids, or if a supply is involved on which the leader is authorized by his letter, to solicit bids, the specifications should be drawn in accordance with the instructions previously given in this memorandum. Specifications must be specific -- they should leave no room for the bidder to guess what is wanted, but should contain all the information essential to enable the bidder to submit an intelligent bid. In calling for bids on a supply measured by pounds, gallons, or the like, a definite quantity, or at least a minimum and maximum quantity (for example: not less than _____ pounds or more than _____ pounds) must be stated.

(4) Whenever practicable at least three bids, more if conditions permit, must be solicited in each case. If in any instance a leader is not able to solicit at least three bids, he should furnish a statement to the Bureau setting forth the reason why it is impracticable to solicit that number. Note that the expression is solicit: when the leader has invited to bid all the dealers in the required supply within a practicable distance, conditions of delivery, etc., considered, the leader has done his part toward obtaining proper competition. Only one bid or not even one may be received in response to the solicitation, nevertheless the leader is in position to state definitely that such competition as was practicable has been sought, and the result when reported to the Bureau will speak for itself. A leader must never rely on oral solicitation or investigation to take the place of approved solicitation on form 33. Nor should the leader, as a general rule, rely solely upon his knowledge of local conditions to justify the absence of competition, especially where there are two or more dealers within a practicable distance whose business is of such nature that they might reasonably be supposed to handle supplies of the kind needed.

The better plan is to solicit bids, even though the leader knows in advance that the solicitation will be fruitless, or that only one dealer will respond. By thus soliciting bids, the personal knowledge of the leader as to local conditions will be reduced to a tangible form for submission to the General Accounting Office.

(5) Deliver the Invitations to bid to the dealers solicited by mail, or if preferred, especially if time is limited, deliver them in person when, if practicable, the dealer may hand you his bid in a sealed envelope properly endorsed. All dealers invited to bid should be instructed to submit their bids in sealed envelopes plainly marked on the outside - "Bid on _____ to be opened _____ (insert hour) _____ (insert date) _____" and all bids received must be opened and scheduled at the time specified in the Invitation.

(6) Space on the reverse of form 33 headed "Bid" is exclusively for the use of the bidder and nothing should be written therein by the leader, but it should be filled in and signed by the bidder.

(7) If the leader is authorized to accept the most advantageous bid received in a case, he should do so in the space on the reverse side of form 33 headed "Acceptance" by dating and signing the acceptance. If a leader authorized to accept bids in any case accepts a bid that is not the lowest as to price of those received, he should prepare in duplicate and sign a statement giving in detail the reasons why the higher bid accepted is considered the most advantageous of those received. This statement in duplicate, the accepted bid and copy thereof together with all other bids received, and a list of any dealers with their addresses invited to bid who failed or declined to bid, must be forwarded to the Bureau with the form 1034 voucher covering purchase. If the accepted bid involves more than one purchase, the papers indicated should accompany the 1034 voucher covering the first purchase thereunder and vouchers covering subsequent purchases should bear reference to such accepted bid.

(8) In the case of a solicitation of bids in the field where acceptance must be made by the Chief, Division of Purchase, Sales and Traffic, of the Department, the leader should, as soon as practicable after the bids are opened and scheduled by him, transmit all bids received to the Bureau, together with a list of the dealers with their addresses who were invited to bid but did not respond, and his recommendation for acceptance of what he considers the most advantageous bid. If the bid recommended for acceptance is the lowest as to price of all bids received, there will be no difficulty in obtaining acceptance of such bid, provided, of course, the solicitation has been conducted in approved manner and the papers are in proper shape. Where a higher bid is recommended for acceptance, however, more difficulty may be experienced in obtaining acceptance; in fact it may develop that acceptance of such higher bid can not be secured. When a higher bid is recommended for acceptance by a leader, he must clearly indicate the points in which all lower bids received fail to meet essential requirements of the specifications or essential stipulations as to time or conditions or delivery. It is useless to recommend a higher bid if a lower one meets all essential specifications and requirements, even though the supply offered under the higher bid is of a superior quality or contains features that make it the best buy.

In any case where bids have been solicited in the field and acceptance must be made by the Chief, Division of Purchase, Sales and Traffic, if

time does not permit the transmission of the bids to Washington by mail and receipt back by the same means of the accepted bid, the result of the solicitation, giving the amount of each bid received and the name of the bidder, may be telegraphed to the Bureau with request for informal acceptance of the most advantageous bid and wired authority to make purchase thereunder, the bids to be subsequently transmitted to the Bureau for formal acceptance and completion of records. In a case of this kind it is particularly true that while the obtaining of informal acceptance of the lowest bid as to price may be a simple matter, where a higher bid is recommended for acceptance, the securing of acceptance thereof may be difficult. If the leader, therefore, in his telegram recommends acceptance of a higher bid, he must state the facts based on the specifications in the case that justify his recommendation.

In any instance where time for solicitation, etc., is limited, as soon as the invitations to bid are sent out by the leader he should, if practicable, forward to the Bureau by mail a copy of the invitation to bid as distributed by him with a list of the dealers he has invited to bid. Then when the leader telegraphs the result of the solicitation, the Bureau will have in its possession more definite information to present to the Chief, Division of Purchase, Sales and Traffic, of the Department, and thus enable such Chief to take more prompt and intelligent action in informally accepting the most advantageous bid received in the case.

E. J. Cohnan

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In Charge of Accounts.

